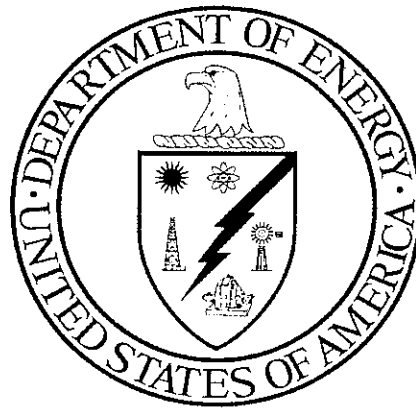


# **SCIENCE AND TECHNOLOGY PROGRAMS DIVISION**



## **WORK FOR OTHERS PROCEDURES**



DOE  
RICHLAND OPERATIONS OFFICE  
SCIENCE AND TECHNOLOGY PROGRAMS DIVISION

TITLE: WORK FOR OTHERS (WFO) PROCEDURES

## INDEX

1.0	Objectives.....	1
2.0	Background .....	1
3.0	References .....	1
4.0	Responsibilities .....	1
5.0	Process and Procedure for Other Federal Agencies WFO .....	2
6.0	Process and Procedure for Commercial WFO .....	11
7.0	Oversight of Laboratory Performance .....	18
8.0	Orders and Related Guidance.....	18



DOE

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**RICHLAND OPERATIONS OFFICE  
SCIENCE AND TECHNOLOGY PROGRAMS DIVISION**

**TITLE: WORK FOR OTHERS (WFO) PROCEDURES****Effective Date:****1.0 OBJECTIVE**

This procedure provides Science and Technology Programs Division (STP) instructions for managing the Work for Others (WFO) process.

**2.0 BACKGROUND**

STP has responsibility to implement the provisions of DOE Order 481.1 and DOE Manual 481.1-1 for authorizing and administering non-DOE funded work performed under DOE Contract DE-AC06-76RL01830 with Battelle Memorial Institute (BMI).

**3.0 REFERENCES**

- 3.1 DOE O 481.1, WORK FOR OTHERS (NON-DEPARTMENT OF ENERGY FUNDED WORK), of September 30, 1996, establishes DOE policy, responsibilities, and procedures for authorizing and administering non-DOE funded work performed under DOE contracts.
- 3.2 DOE M 481.1-1, REIMBURSABLE WORK FOR NON-FEDERAL SPONSORS PROCESS MANUAL, of September 30, 1999, provides detailed requirements to supplement DOE O 481.1. This Manual describes the process to be used in performing WFO projects for non-federal sponsors.

**4.0 RESPONSIBILITIES**

STP is responsible for coordination of the WFO process between the Pacific Northwest National Laboratory (PNNL), DOE and the sponsor. The activities include:

- 4.1 Technical and administrative review of PNNL proposals.
- 4.2 Technical and administrative review of the PNNL Work for Others (WFO) Determination Memorandums and Minimum Standards.
- 4.3 Preparation and transmittal of documentation to the sponsor.
- 4.4 Administrative review of the sponsor's funding authorization.
- 4.5 Acceptance of funding authorizations and issuance of Requests for Services (RFS) to PNNL to perform work.
- 4.6 Oversight of PNNL technical and administrative performance and sponsor satisfaction.
- 4.7 Maintain official files on all non-DOE funded work performed at PNNL.
- 4.8 Coordinate resolution of PNNL/sponsor issues.

**CONCURRENCE**

Lynnette R. Downing, STP

**APPROVAL**

Deborah E. Trader, STP

Date

Date

## 5.0 PROCESS AND PROCEDURE FOR OTHER FEDERAL AGENCIES (OFA) WFO

## 5.1 STP receives a written request from the sponsor for a proposal.

5.1.1 The WFO coordinator reviews the request to make a preliminary determination that the work is consistent with and complementary to DOE's mission as well as the mission of PNNL. If the request fails this review (after consultation with STP technical staff and the contracting officer, as necessary), the sponsor is notified by correspondence signed by the WFO Coordinator that RL is unable to honor the request for services.

5.1.2 The sponsor, project title, and due date of the proposal are logged into the electronic WFO System.

5.1.3 Correspondence to PNNL is prepared requesting a proposal. The proposal request is concurred with by STP technical staff and signed by the Assistant Manager for Science and Technology.

5.2 PNNL can also be requested directly by sponsors to prepare proposals for specific tasks, effectively bypassing Step 5.1. If a sponsor contacts PNNL directly, and PNNL submits a proposal to RL as a result of that contact, the determination of WFO compatibility is addressed by the WFO Coordinator during Step 5.3. The WFO Coordinator will reject proposals (after consultation with STP technical staff and the contracting officer, as necessary) that do not meet the WFO compatibility requirement.

5.3 After PNNL has prepared and submitted a proposal to RL, RL reviews and approves the proposal if appropriate.

5.3.1 The date the proposal is received from PNNL is logged in the WFO System along with the proposal number and title; proposal amount; and PNNL and RL points of contact.

5.3.2 Each proposal is supported by two documents 1) a WFO Determination Memorandum (DM), and 2) a Minimum Standards (MS) Document (refer to a. and b. below). The proposal itself constitutes a statement of work and is accompanied by the cost detail. (If pre-existing documentation is still applicable to a proposal amendment or revision, then a statement to that effect or outlining any minor changes in existing documentation is required from PNNL through an updated MS.) All project documentation will be reviewed for consistency and completeness.

a. The DM addresses the following items:

- Work is consistent with or complementary to DOE missions and missions of PNNL.
- Work will not adversely impact execution of assigned programs of the facility.
- Work will not place the facility in direct competition with the domestic private sector.

- Work will not create a detrimental future burden on DOE resources.

b. The Minimum Standards addresses the following items:

- How did the request to perform this work originate? *(Should not be the result of a Federal or non-Federal competitive solicitation.)*
- Is there a Memorandum of Understanding under which the work will be performed?
- How does the proposed work meet the criteria identified in Order 481.1, Paragraph 4.a. *(This is addressed only for proposal amendments or revisions that do not require CO certification of the DM, i.e., when there is no significant change in the scope of work. New proposals and amendments or revisions with scope change require a new or recertified DM) .*
- Will the work involve construction or facility modifications? *(Refer to Order 481.1 or Section 5.3.6 for required HQ approval.)*
- Will the work involve human or animal subjects? *(Refer to Section 5.3.7 for required approval.)*
- Will the work involve foreign nationals or organizations?
- Will the work be performed outside the continental U.S.?
- Will automated data processing equipment be purchased? What is equipment disposition at the end of the project? *(Any purchased equipment must directly support the project.)*
- Will other equipment be acquired as a part of the project? *(Any purchased equipment must directly support the project.)*
- Will DOE Environmental, Safety, and Health (ES&H) requirements apply to this project? Are there any special ES&H compliance actions required during the course of the project (e.g., permits for use of hazardous materials, environmental assessments, environmental protection measures including monitoring, etc.)?
- Provide the assessment for compliance with the National Environmental Policy Act (NEPA). *(If the work is performed in non-DOE facilities, the sponsor is responsible for NEPA documentation and is notified via the proposal transmittal letter.)*
- Identify any work that will be subcontracted and the percentage of work subcontracted. *(Per unwritten guidance from HQ-SC-7, the acceptable level of subcontracting is 20%*

or less. The work to be subcontracted should be identified in all cases and must directly support the project. Subcontracting above 20% will be considered on a case-by-case basis and requires a detailed technical justification from PNNL.)

- Is the work classified? (If the work is classified, classification guidance must be received from the sponsor prior to authorizing PNNL to start work.)

5.3.3 If the project qualifies for an **exception to full cost recovery** as delineated in Michael L. Telson's September 27, 2000, memorandum, PNNL will provide a completed Exception to Full Cost Recovery Form with each proposal. (The form is not submitted to RL Financial Management Division (FMD) until the proposal is funded to ensure that RL is accurately reporting to HQ the amount of funding received and the amount waived.)

5.3.4 The **WFO coordinator reviews the proposal**, including but not limited to, completed DM, non-competition statement from PNNL, subcontracted work and levels, determination that NEPA and other ES&H requirements have been considered, completeness of the statement of work, and requirement for any HQ notification/approvals.

If the proposal or supporting documentation are deficient, the WFO Coordinator notifies PNNL Contracts Services Division of the deficiency. Actions, as appropriate, are taken to resolve any deficiencies. The deficiency is noted in the WFO System under PNNL's performance measures for the Business Management Oversight Program. If the proposal does not meet the WFO requirements (after consultation with STP technical staff and the contracting officer, as necessary), the proposal is rejected, and PNNL is notified by phone or e-mail.

5.3.5 The **WFO coordinator completes the appropriate proposal checklist** (FED, NRC, NIH, or non-FED) to ensure WFO requirements are met.

5.3.6 If **facility construction or modifications** are anticipated in the proposed project, the RL Site Engineering Division (SED) will be notified. SED, with assistance from STP, will coordinate the HQ Office of Science (SC-7) and Chief Financial Officer (CFO/CR-1) approval of any line-item or general plant project sized activities to be funded by WFO sponsors.

5.3.7 If **human or animal subjects** are involved in the proposed project, PNNL's MS should be annotated as such. (A copy of PNNL's Institutional Review Board (IRB) approval to conduct human research or the Institution's Animal Subjects Research Certification should also be provided by PNNL for inclusion in the project file. If the appropriate approval is not provided by PNNL, the WFO coordinator will work with the STP human/animal subjects coordinator to obtain the necessary documentation.)

5.3.8 If the work is **Intelligence or Intelligence-related**, the PNNL program manager provides a briefing to the STP technical staff responsible for intelligence activity. STP Division will provide

a copy of all unclassified proposals to the HQ WFO point of contact for IN-1. Classified proposals are submitted directly to the sponsor by PNNL.

Written HQ approval occurs during the funding process. The sponsor submits the funding document to HQ. HQ subsequently approves the work and transmits the funding document to RL for acceptance.

- 5.3.9 If the work falls under the HQ **Federal Energy Management Program (FEMP)**, HQ Office of Federal Energy Management (EE-90) approval of the work is required. STP Division will provide a copy of all FEMP proposals to HQ. Written HQ approval occurs during the funding process. The sponsor is instructed to submit their funding document to HQ. HQ subsequently approves the work and transmits the funding document to RL for acceptance.
- 5.3.10 If the work involves **nuclear nonproliferation activity**, the WFO coordinator will contact the appropriate STP technical staff to notify the HQ Office of Nonproliferation and National Security (NN-20) contact through a telephone briefing. The project file will be annotated accordingly. If requested by HQ, STP will provide further informal information via fax or mail.
- 5.3.11 If the work involves **space nuclear reactor, non-commercial power reactor, and radioisotope power source projects**, excluding the Nuclear Regulatory Commission (NRC), fusion, weapons-related activities, naval propulsion reactors, and experimental reactors to establish an appropriate nuclear energy management role, the WFO coordinator will contact the appropriate STP technical staff. The STP technical staff, with assistance from the WFO coordinator, will coordinate the HQ Office of Nuclear Energy, Science and Technology (NE-50) approval.
- 5.3.12 **Sensitive Projects** requiring notification to the Program Secretarial Officer (PSO).
- a. RL's definition of a sensitive project includes:
- Long-term commitments - projects/proposals that commit RL to provide a significant level of support for a period that exceeds five years.
  - Significant legal and financial liabilities.
  - Significant environmental, safety and health quality assurance requirements - any projects not covered by existing NEPA documentation or Categorical exclusions or any other significant ES&H concerns that are the responsibility of the sponsor. (Example: chemical surety work.)
  - Sensitive subjects or sensitive nuclear technology - projects that involve either sensitive nuclear technology or knowledge from sensitive Hanford activities.
  - Potential adverse publicity. (Example: Navy Napalm

Project.)

- b. PSO notification will occur through the Office of Science (SC-7) HQ WFO point of contact. Generally, the nature of projects that fall within RL's definition of sensitive is such that a telecon with the HQ WFO point of contact will suffice. If requested by the HQ WFO point of contact, STP will provide further informal information via fax or mail, or prepare a formal written notice to the PSO.

5.3.13 Based upon the results of the above review, **correspondence is prepared to transmit the proposal** to the sponsor. The correspondence includes a copy of RL's Administrative Guidance or HQ's Administrative Guidance for Intelligence or Intelligence-Related work. The administrative guidance notifies the sponsor of DOE's minimum requirements for accepting non-DOE funds. The sponsor's responsibility for NEPA and ES&H compliance is also included in the correspondence as necessary.

- a. If the proposed work is **Intelligence or Intelligence-Related**, STP Division provides a copy of all unclassified proposals to the HQ WFO point of contact for IN-1. If the statement of work is classified, only the WFO Determination, MS, and proposal cost detail are provided to STP Division. Review and approval of the classified statement of work occur through a PNNL briefing to the appropriate STP technical staff. Classified proposals are forwarded directly to the sponsor by PNNL. The sponsor is instructed to submit their funding document to IN-1 (for HQ approval).
- b. If the proposed work falls under the **Federal Energy Management Program (FEMP)**, a copy of the proposal is provided to the HQ WFO point of contact for the Office for Federal Energy Management (EE-90). The sponsor is instructed to submit their funding document through EE-90 (for HQ approval).

5.3.14 The WFO proposal package is forwarded to the appropriate STP technical staff for a detailed review for appropriateness of the work and subcontracted work and levels.

5.3.15 The WFO proposal package is forwarded to the contracting officer for a final review for appropriateness of the work and subcontracted work and levels, as well as certification of the WFO Determination Memorandum.

#### 5.4 WFO Determination Memorandum (DM)- Contracting Officer Certification

5.4.1 DMs are required when a new effort is proposed or when there is a significant change in the scope of work. PNNL will prepare a DM for certification and submit it to STP Division with their proposal package. The DM will identify the objectives delineated within the proposed statement of work that are being certified.

5.4.2 If a DM is needed, the DM is reviewed and signed by the STP WFO Team Leader (STP Management) and is forwarded with the proposal package to the Procurement Services Division (PRO) for contracting officer signature. The DM addresses the following



items:

- a. Work is consistent with or complementary to DOE missions and missions of PNNL.
- b. Work will not adversely impact execution of assigned programs of the facility.
- c. Work will not place the facility in direct competition with the domestic private sector.
- d. Work will not create a detrimental future burden on DOE resources.

5.4.3 A DM is not needed for proposal amendments or revisions if there is no significant change to the scope of work. For proposal amendments that are within the previously certified objectives, PNNL will submit an updated MS with their proposal package. The MS will address which previous objective(s) the proposal amendment or revision falls under with supporting explanation of how the work scope has not changed. The MS will also address any other changes to the original MS. The proposal amendment is reviewed and processed as stated under section 5.3.

5.4.4 PRO reviews the proposal package and signs the DM or returns the package with their objections noted.

- a. If the contracting officer determines the proposal is inappropriate, the proposal is rejected, and PNNL Contract Services is notified by phone or e-mail by the WFO Coordinator.
- b. If the contracting officer needs clarification or additional information/justification, the WFO Coordinator will contact PNNL by phone or e-mail and actions, as appropriate, are taken to resolve any differences.

5.5 WFO Coordinator submits proposal to WFO sponsor.

5.5.1 The WFO coordinator completes a final review of the documentation, including completed DM, availability of funds, and required HQ notifications/approvals. A "Review by DOE Personnel Pursuant to DOE Order 481.1" Checksheet is completed. If the proposal is acceptable, the proposal is approved by the WFO Coordinator and transmitted to the sponsor.

5.5.2 RL mails the proposal to the sponsor. The date the proposal is mailed to the sponsor is logged in the WFO System. (Note that when work is conducted under the Federal Energy Management Program (FEMP), a copy of the proposal is always provided to EE-90, DOE-HQ. A copy of the proposal is also provided to IN-1 for all unclassified Intelligence or Intelligence-related projects. If the proposal is classified, the proposal is handled directly between PNNL and the sponsor, with participation/approval of DOE/HQ-IN and RL as appropriate. Refer to Section 5.3.13.a)

- 5.6 After the sponsor reviews and approves/accepts the proposal, DOE receives a funding document from the sponsor for the proposal.
- 5.6.1 The date of receipt, the funding document number, funds amount, and acceptance due date logged in the WFO System.
- 5.6.2 Sponsor funding documents for FEMP (EE-90) and IN (IN-1) projects are submitted to DOE/HQ for review and approval by the sponsor, and if approved are transmitted to STP Division for processing and acceptance. Any classified funding packages received from IN-1 are forwarded to RL's Classified Document Control Center. An individual from STP Division with the appropriate security clearance transfers the documents to a certified, classified repository in the Earth and Environmental Sciences Building. *No classified information is filed in the official WFO file or entered into the WFO database.*
- 5.6.3 Per HQ's Office of Chief Financial Officer, it is departmental policy that **only reimbursable funds shall be accepted**. If direct cite funds are received by RL, the sponsor shall be contacted and the funds rejected/returned to the sponsor or if acceptable to the sponsor, the funds will be accepted as reimbursable funds.
- 5.6.4 If incremental funds are received, a copy of the appropriate full funding waiver is filed in the project file, i.e., RL or NRC. In accordance with RL's approved full funding waiver, the WFO Coordinator contacts PNNL Contracts Division by phone or e-mail and requests PNNL to provide an Impact Analysis (IA). The IA addresses the items below:
- The portion of the work to be performed with the incremental funds.
  - The period of performance for the incremental funds.
  - When the next increment of funds is expected.
  - PNNL has determined that the receipt of incremental funds will not adversely affect the project or PNNL.
  - DOE funds will not be used to finance the work.
  - The incremental funds cover the orderly phaseout of the work if the next increment of funds is not received.
- The IA is reviewed and approved by the STP technical staff and the WFO Coordinator and filed in the project file.
- 5.7 The WFO Coordinator completes a RFS working checklist for Request for Services (RFS) to ensure WFO requirements are met.
- 5.7.1 If the funding or statement of work do not match an approved proposal, PNNL is contacted and actions, as appropriate, are taken to resolve any differences. *(This action may include: 1) assuring that a completed DM, Statement of Work (SOW), Minimum Standards, and/or a cost estimate are approved, or 2) that PNNL is in agreement with the SOW provided by the sponsor and is able*

to perform the work with the funds and within the schedule provided by the sponsor.)

- 5.7.2 The sponsor's funding document is reviewed for compliance with DOE requirements. The sponsor must provide the following with their original funding document:
- a. An economy act certification or identification of their statutory authority to place the work with DOE.
  - b. Certification of non-competition, and compliance with FAR 6.002 (refer to DOE Order 481.1, Section 4.a).
  - c. Security classification guidance when the task is classified.
  - d. Property disposition guidance, if applicable.
  - e. Identification of financial and technical points of contact.
  - f. A statement of work or a citation to PNNL's proposal.
  - g. Period of performance.
  - h. Reporting provisions if any.
  - i. Third party disclaimer, if applicable.
  - j. For National Institutes of Health (NIH) grants, NIH must provide a statement that the grant is governed by the cost principles governing the DOE laboratories, as outlined in the DOE acquisition Regulations (section 970.31) and included in the laboratory's contract (Refer to the MOU between DOE and NIH).
- 5.7.3 If any sponsor deficiencies are determined, the WFO Coordinator contacts the sponsor requesting additional information/documentation.
- a. Funds are not accepted until all required documentation is received.
  - b. If the sponsor is unable to provide the required documentation, the funds are rejected.
- 5.8 STP Division prepares a Request for Services (RFS).
- 5.8.1 A RFS is created or supplemented depending upon whether the project is receiving initial or supplemental funding. PNNL is authorized to incur costs once the RFS is signed. Under PNNL's approved Anticipatory Account Policy, PNNL is authorized to initiate work at their own corporate risk prior to the receipt of funds. (Note that if the sponsor authorizes an earlier start date, pre-authorization costs may be transferred to the project once the project is approved.) Project completion dates for each separate funding document are called out in the RFS. The appropriate RL and PNNL Program Managers and Contracts staff, as well as, any special requirements (release of technical

information, etc.) will be identified in the text of the RFS.

- 5.8.2 The RFS is reviewed/concurred with by the WFO coordinator, STP technical staff, and Financial Management Division (FMD). FMD concurrence certifies that sufficient reimbursable ceiling is available to accept the funds. A technical review is not needed if this step was performed during the proposal process and there have been no changes to the statement of work. The concurrence ladder is annotated as such.
- 5.8.3 The funding acceptance document is prepared (or completed if provided by the sponsor). As necessary, RL confirms our understanding of security classification, disposition of procured property, the work completion date, and the sponsor's responsibility for NEPA and ES&H compliance in the acceptance document.
- 5.8.4 The WFO Coordinator completes a final review of the documentation, verifying that a completed DM has been certified by the CO, required HQ approvals/concurrences have been obtained, and sufficient reimbursable authority is available. The WFO Coordinator completes a "Review by DOE Personnel Pursuant to DOE Order 481.1" checksheet. If acceptable, the RFS and acceptance of the funding document(s) are signed by the WFO Coordinator.
- 5.8.5 For those projects that are eligible for an **exception to full cost recovery**, the WFO Coordinator sends a Don't-Say-It-Write-It (DSI) and an Exception to Full Cost Recovery Form to FMD for reporting to HQ. The form is completed with the amount of the funds received from the sponsor.
- 5.8.6 For classified projects, the WFO Coordinator sends a DSI and a copy of the sponsor's **classification guidance** to the RL and PNNL Safeguards and Security Division. If the guidance is classified, a DSI is sent notifying RL and PNNL Security that the guidance was provided under separate cover.

- 5.9 STP sends RFS to PNNL and the acceptance of funding to sponsor.

Note that in the case of Intelligence work, or, work related to interests of the Federal Energy Management Program (FEMP), a copy of the acceptance is always provided to DOE/HQ, IN-1 or EE-90, as appropriate.

- 5.10 The date the RFS is approved is logged in the WFO System.

- 5.11 RL Approval of international activities.

- 5.11.1 Prior to the approval of a foreign travel request that is funded from a WFO project, the WFO Coordinator will verify that the project proposal (cost estimate and minimum standards statement) identified the proposed trip or the general need for foreign travel.

- 5.11.2 If the foreign travel is not included in the approved proposal and MS, the WFO Coordinator will request PNNL Contract Services Division by phone or electronic mail to coordinate written

approval from the sponsor. If written approval is not obtained from the sponsor, the foreign travel request will not be approved by STP.

- 5.11.3 Specific authorization to approve foreign travel originates from DOE 551.1A. Once approved, the International Activities Coordination Office (IACO) will provide a copy of each funded trip request for inclusion in the STP project file.

- 5.12 Once PNNL has performed the work, DOE informs the sponsor that the project is complete and returns any unexpended funds.

- 5.12.1 Prior to closing the project, the WFO Coordinator will: 1) reconcile the remaining balance with RL FMD and PNNL Accounts Receivable, and 2) confirm with the PNNL project manager that the work is complete. This includes delivery of the final product to the sponsor, closure of any subcontracts, and determination of the final disposition of any remaining property.

- 5.12.2 Correspondence is prepared to inform the sponsor of any remaining funds and RL's property disposition plans. FMD concurs (via DISCAS report) prior to signature by the WFO Coordinator. The sponsor is provided 30 days to respond to this correspondence. Issues raised by the sponsor(if any) are resolved.

- 5.12.3 After 30 days, a final RFS is completed to deobligate any remaining funds and provide final property disposition. The RFS is forwarded to PNNL to formally close the project. RL's Official File is sent to records storage and the project is logged in the WFO System as closed and vaulted.

## 6.0 PROCESS AND PROCEDURE FOR COMMERCIAL WFO

NOTE: Occasionally, PNNL is requested to provide support to non-Federal entities. DOE M 481.1-1, Reimbursable Work for Non-Federal Sponsors Process Manual, of September 30, 1999, provides detailed requirements to supplement DOE O 481.1. This Manual describes the process to be used in performing WFO projects for non-federal sponsors. PNNL's approved Management and Administration Plan implemented the use of the standard articles in the DOE Standard Work for Others Agreement (SA), with additional options to the funding and payment clause.

- 6.1 PNNL receives an inquiry from a non-federal entity (sponsor) for support or services.

- 6.1.1 PNNL makes a preliminary determination that the work is consistent with WFO requirements. (If the request fails this review, the sponsor is notified by PNNL that they are unable to honor the request for support or services.)

- 6.1.2 PNNL prepares a SA that incorporates the statement of work and cost estimate. PNNL provides an advance copy of the SA to the sponsor for review of the terms and conditions.

- 6.2 During the sponsor's review period, a copy of the SA is provided to RL.

- 6.2.1 The date the SA is received is logged into the WFO system, along with the SA number and title; proposed amount; and PNNL and RL points of contact.
- 6.2.2 Each SA is supported by two documents 1) a WFO Determination Memorandum (DM), and 2) a Minimum Standards (MS) Document (refer to a. and b. below). The SA constitutes the Statement of Work. If pre-existing documentation is still applicable to a SA amendment or revision, then a statement to that effect or outlining any minor changes in existing documentation is required from PNNL through an updated MS. All project documentation will be reviewed for consistency and completeness.
- a. The DM addresses the following items:
- Work is consistent with or complementary to DOE missions and missions of PNNL.
  - Work will not adversely impact execution of assigned programs of the facility.
  - Work will not place the facility in direct competition with the domestic private sector.
  - Work will not create a detrimental future burden on DOE resources.
- b. The Minimum Standards addresses the following items:
- How was the request to perform this work originated?  
(Should not be the result of a competitive solicitation.)
  - Is there a Memorandum of Understanding under which the work will be performed?
  - How does the proposed work meet the criteria identified in Order 481.1, Paragraph 4.a. (This is addressed only for SA amendments or revisions that do not require CO certification of the DM, i.e., when there is no significant change in the scope of work. New SA and amendments with scope change require a new or recertified DM.)
  - Will the work involve construction or facility modification? (Refer to Order 481.1 or Section 5.2.6 for required HQ approval.)
  - Will the work involve human or animal subjects? (Refer to Section 5.2.7 for required approval.)
  - Will the work involve foreign nationals or organizations?
  - Will the work be performed outside the continental U.S.?
  - Will automated data processing equipment be purchased? What is equipment disposition at the end of the project? (Any purchased equipment must directly support the project.)

- Will other equipment be acquired as a part of the project? (Any purchased equipment must directly support the project.)
  - Will DOE Environmental, Safety, and Health (ES&H) requirements apply to this project? Are there any special ES&H compliance actions required during the course of the project (e.g., permits for use of hazardous materials, environmental assessments, environmental protection measures including monitoring, etc.)?
  - Provide the assessment for compliance with the National Environmental Policy Act (NEPA). (If the work is performed in non-DOE facilities, NEPA does not apply because NEPA is a Federal regulation for Federal agencies only.)
  - Identify any work that will be subcontracted and the percentage of work subcontracted. (Per unwritten guidance from HQ SC-7, the acceptable level of subcontracting is 20% or less. The work to be subcontracted should be identified in all cases and must directly support the project. Subcontracting above 20% will be considered on a case-by-case basis and requires a detailed technical justification.)
  - Is the work classified? (If the work is classified, classification guidance must be received from the sponsor prior to authorizing PNNL to start work.)
- 6.2.3 If the project qualifies for an **exception to full cost recovery** as delineated in Michael L. Telson's September 27, 2000, memorandum, PNNL will provide a completed Exception to Full Cost Recovery Form with each SA. (The form is not submitted to RL Financial Management Division (FMD) until the SA is funded to ensure that RL is accurately reporting to HQ the amount of funding received and the amount waived.)
- 6.2.4 The **WFO coordinator reviews the SA**, including but not limited to, completed DM, non-competition statement from PNNL, subcontracted work and levels, determination that NEPA and other ES&H requirements have been considered, completeness of the statement of work, and requirement for any HQ notification/approvals.
- 6.2.5 If the SA or supporting documentation are deficient, the WFO Coordinator notifies PNNL Contract Services Division of the deficiency. Actions, as appropriate, are taken to resolve any deficiencies. The deficiency is noted in the WFO System under PNNL's performance measures for the Business Management Oversight Program. If the SA does not meet the WFO requirements (after consultation with STP technical staff and the contracting officer, as necessary), it is rejected, and PNNL is notified by phone or e-mail.
- 6.2.6 The WFO coordinator completes a non-Federal proposal working checklist to ensure WFO requirements are met.

- 6.2.7 If facility construction or modifications are anticipated in the proposed project, the RL Site Engineering Division (SED) will be contacted. SED, with assistance from STP, will coordinate the HQ Office of Laboratory Policy and Science (SC-7) and Chief Financial Officer (CFO/CR-1) approval of any line-item or general plant project sized activities to be funded by non-Federal sponsor.
- 6.2.8 If human or animal subjects are involved in the proposed project, PNNL's MS should be annotated as such. (A copy of PNNL's Institutional Review Board approval to conduct human research or the Institution's Animal Subjects Research Certification should also be provided by PNNL for inclusion in the project file. If the appropriate approval is not provided by PNNL, the WFO coordinator will work with the STP human/animal subjects point of contact to obtain the appropriate documentation.)
- 6.2.9 If the work is Intelligence or Intelligence-related, the PNNL program manager provides a briefing to the STP technical staff responsible for intelligence activity. The STP technical staff notifies the HQ Office of Intelligence (IN-1) contact through a telephone briefing. If requested by HQ, STP will provide further information via fax or mail. STP Division will provide a copy of all unclassified proposals to the HQ WFO point of contact for IN-1. Classified proposals are processed through the telephone briefing process and submitted directly to the sponsor by PNNL. Written HQ approval occurs during the funding process.

The sponsor submits the funding document to HQ. HQ subsequently approves the work and transmits the funding document to STP for acceptance.

- 6.2.10 If the work falls under the HQ Federal Energy Management Program (FEMP), HQ Office of Federal Energy Management (EE-90) approval of the work is required. STP Division will provide a copy of all FEMP proposals to HQ. Written HQ approval occurs during the funding process. The sponsor submits the funding document to HQ. HQ subsequently approves the work and transmits the funding document to RL for acceptance.
- 6.2.11 If the work involves nuclear nonproliferation activity, the WFO coordinator will contact the appropriate STP technical staff to notify the HQ Office of Nonproliferation and National Security (NN-20) contact through a telephone briefing. The project file will be annotated accordingly. If requested by HQ, STP will provide further informal information via fax or mail.
- 6.2.12 If the work involves space nuclear reactor, non-commercial power reactor, and radioisotope power source projects, excluding the Nuclear Regulatory Commission (NRC), fusion, weapons-related activities, naval propulsion reactors, and experimental reactors to establish an appropriate nuclear energy management role, the WFO coordinator will contact the appropriate STP technical staff. The STP technical staff, with assistance from the WFO coordinator, will coordinate the HQ Office of Nuclear Energy, Science and Technology (NE-50) approval.
- 6.2.13 Sensitive Projects requiring notification to the Program



Secretarial Officer (PSO).

a. RL's definition of a sensitive project includes:

- Long-term commitments - projects/proposals that commit RL to provide a significant level of support for a period that exceeds five years.
- Significant legal and financial liabilities.
- Significant environmental, safety and health quality assurance requirements - any projects not covered by existing NEPA documentation or Categorical exclusions or any other significant ES&H concerns that are the responsibility of the sponsor.
- Sensitive subjects or sensitive nuclear technology - projects that involve either sensitive nuclear technology or knowledge from sensitive Hanford activities.
- Potential adverse publicity.

b. PSO notification will occur through the Office of Science (SC-7) HQ WFO point of contact. Generally, the nature of projects that fall within RL's definition of sensitive is such that a telecon with the HQ WFO point of contact will suffice. If requested by the HQ WFO point of contact, STP will provide further informal information via fax or mail, or prepare a formal written notice to the PSO.

6.2.14 The WFO package is forwarded to the appropriate STP technical staff for a detailed review for appropriateness of the work and subcontracted work and levels. In addition, RL Office of Chief Council reviews the SA, as necessary, for any patent and data rights issues.

6.2.15 The SA package is forwarded to the contracting officer for a final review for appropriateness of the work and subcontracted work and levels, as well as certification of the WFO Determination Memorandum.

### 6.3 WFO Determination Memorandum (DM) - Contracting Officer Certification

6.3.1 DMs are required when a new effort is proposed or when there is a significant change in the scope of work. PNNL will prepare a DM for certification. The DM will identify the objectives delineated within the statement of work that are being certified.

6.3.2 If a DM is needed, the DM is reviewed and signed by the STP WFO Team Leader (STP management) and is forwarded with the SA to Procurement Services Division (PRO) for contracting officer signature. The DM addresses the following items:

- a. Work is consistent with or complementary to DOE missions and missions of PNNL.
- b. Work will not adversely impact execution of assigned programs

of the facility.

c. Work will not place the facility in direct competition with the domestic private sector.

d. Work will not create a detrimental future burden on DOE resources.

6.3.3 A DM is not needed for SA amendments or revisions if there is no significant change to the scope of work. For SA amendments that are within the previously certified objectives, PNNL will submit an updated MS with their SA package. The MS will address which previous objective(s) the SA amendment falls under with supporting explanation of how the work scope has not changed. The MS will also address any other changes to the original MS. The SA amendment is reviewed as stated under section 6.2.

6.3.4 PRO reviews the SA package and signs the DM or returns the package with their objections noted.

a. If the contracting officer determines the SA is inappropriate, the SA is rejected, and the WFO Coordinator notified PNNL by phone or e-mail.

b. If the contracting officer needs clarification or additional information/justification, the WFO Coordinator will contact PNNL by phone or e-mail and actions, as appropriate, are taken to resolve any differences.

6.4 The WFO Coordinator notifies PNNL that the project has been approved by the RL CO. (Note: all necessary DOE approvals must be secured prior to PNNL and the sponsor executing the final agreement, except for such approvals as are documented as pending and upon which the execution of the final agreement is made contingent.)

6.5 PNNL and the sponsor sign the SA and PNNL provides a signed copy of the SA to STP. (Note that the final SA is between PNNL and the sponsor.)

6.6 After PNNL and the sponsor sign the SA, the WFO Coordinator notifies the PNNL Accounts Receivable Department via e-mail to invoice the sponsor for an advance. The advance should be sufficient to cover 90 days of effort plus closeout costs. Exceptions to the full 90-day advance are set forth under M 481.1-1. (NOTE that funds are generally in the form of a check rather than the funding authorization documents seen with federal sponsors.)

6.7 After PNNL receives the advance payment, PNNL notifies the RL WFO Coordinator by e-mail of the receipt of funds.

6.7.1 PNNL will hold the advance payment in a reserve account and invoice monthly for incurred costs until the full amount of the SA has been invoiced and payment received. PNNL will then charge their final costs to the funds held in the reserve account. Each receipt of payment will be processed through a supplemental RFS.

6.7.2 The executed SA number, the sponsor, amount of funds received,

project title, and RFS number are logged in the RFS log of the WFO System.

- 6.8 The WFO Coordinator completes a non-Federal RFS working checklist to ensure all WFO and accounting requirements are met.
- 6.9 RL prepares a Request for Services (RFS) to set up a reimbursable account and to authorize PNNL to expend funds up to the amount received.
  - 6.9.1 The master RFS is created or supplemented depending upon whether the project is receiving initial or supplemental funding. PNNL is authorized to incur costs once the RFS is signed. Project completion dates consistent with the SA are called out in the RFS. The appropriate RL and PNNL Program Managers, as well as, any special requirements will be identified in the text of the RFS.
  - 6.9.2 The RFS is reviewed/concurred in by the WFO coordinator, the STP technical staff, FMD and Budget Divisions.
  - 6.9.3 The WFO Coordinator completes a final review of documentation including a completed DM, availability of funds, and required HQ notification/approvals. If acceptable, the RFS is signed by the WFO Coordinator.
  - 6.9.4 For those projects that are eligible for an **exception to full cost recovery**, the WFO Coordinator sends a DSI and an Exception to Full Cost Recovery Form to FMD for reporting to HQ.
- 6.10 RL sends the RFS to PNNL.
- 6.11 The date the RFS is approved is logged in the WFO System.
- 6.12 Approval of international activities as identified in 5.10 will apply to a foreign travel request that is to be funded by a non-federal sponsor.
- 6.13 Once PNNL has performed the work, PNNL informs the sponsor that the project is complete and returns any unused funds.
  - 6.13.1 Correspondence is prepared by PNNL to inform the sponsor of any remaining funds, property disposition plans and to obtain certification of deliverable(s). Issues raised by the sponsor(if any) are resolved.
  - 6.13.2 PNNL provides a copy of the certified letter to RL.
  - 6.13.3 A final RFS is completed to deobligate any remaining funds. The text of the RFS requests PNNL Accounts Receivable to issue a refund, if any, to the sponsor. The RFS is forwarded to PNNL to close the project. RL's official file is sent to records storage and the project is logged into the WFO System as closed and vaulted.

## 7.0 OVERSIGHT OF LABORATORY PERFORMANCE

Since the basic WFO Interagency Agreement is between DOE and the OFA sponsor (for work to be performed by PNNL), STP has an important oversight role (both technical and administrative) to ensure that the Laboratory is satisfying the performance needs of the sponsor. STP reviews PNNL customer feedback results and independently seeks feedback from the sponsors on customer satisfaction. In addition, STP, the sponsor or PNNL occasionally contact STP to resolve issues between PNNL and the sponsor.

#### 8.0 ORDERS AND RELATED GUIDANCE (Refer to Numbered Tabs)

- 8.1 DOE O 481.1 - Work for Others (Non-Department of Energy Funded Work)
- 8.2 DOE M 481.1-1 - Reimbursable Work for Non-Federal Sponsors Process Manual
  - State Agreement - Sample
  - Commercial Agreement - Sample
  - California Energy Commission Agreement - Sample
  - PNNL's Management and Administration Plan for Non-Federal WFO
- 8.3 DOE G 481.1-1 - Department of Energy Work for Others Guide
- 8.4 WFO Teaming With Industry - 7/30/97 and 10/6/97 Richard H. Hopf (HQ/MA-5) memos
- 8.5 HQ Direction on Federal Administrative Charge - 10/29/98 and 9/27/00 Michael L. Telson (HQ/CR-1) memos - Sample Exception Form and DSI to FMD
- 8.6 RL's Approved Full Funding Waiver, Policy and Procedures - Sample Impact Analysis
- 8.7 WFO Flow Charts - Federal and Non-Federal
- 8.8 Working Check Sheets - Proposal and Requests for Services
- 8.9 Proposal Transmittal - Sample
- 8.10 Proposal Administrative Requirements - RL and DOE-HQ/IN-1
- 8.11 WFO Determination - Sample
- 8.12 Minimum Standards - Sample of Basic and Update
- 8.13 Request for Services - Sample
- 8.14 Security Notification of Classified Work - Sample
- 8.15 Closeout Letter - Sample